



## **Message Guidance: TrumpCare Breaks President Trump's Promises To Americans By Cutting Health Care For Millions**

During his first address to Congress, President Trump made **five** bold promises to the American people about their health care. But the American people know that **actions speak louder than words**. The TrumpCare plan House Republicans have prepared takes away Americans' health care and increases health care costs for Americans who cannot afford it while giving tax cuts to the rich and to special interests. Here's a closer look at the new "TrumpCare," the five promises President Trump made to Americans, and what the President and House Republicans actually have in store for Americans:

### **Promise 1: Health Care Access For Those With A Pre-Existing Condition**

*"First, we should ensure that Americans with pre-existing conditions have access to coverage, and that we have a stable transition for Americans currently enrolled in the healthcare exchanges."* – President Trump, [Joint Address to Congress](#), February 28, 2017

But here's what TrumpCare really does...

- **Harms Americans with pre-existing conditions by punishing those who lose their health care.** The House GOP bill harshly penalizes Americans who go without insurance – as a result of a job loss, financial emergency, or an extenuating circumstance that is potentially out of their control. The American Cancer Society has explained that this requirement for continuous coverage is "not a viable solution" for sick patients and those with pre-existing conditions. This prohibitive provision leaves no room for the tens of millions of Americans who experience brief periods of uninsurance as a result of these very conditions. Further, it imposes an overly harsh financial penalty (30 percent on top of their base premium for a year) for those who cannot maintain continuous coverage – potentially putting that coverage out of reach. [ACS CAN, [1/5/17](#); ASPE, [1/5/17](#); *American Health Care Act* Energy and Commerce Section-by-Section, [3/6/17](#)]
- **Hands control of your care to insurers by letting them decide the value of coverage they offer.** The ACA implemented a 60 percent minimum for what plans must pay toward the cost of the services that they cover. The House bill eliminates that guaranteed "floor." This could mean insurers could cover less and charge more out-of-pocket for critical services like mental health, substance use disorder treatment, and maternity care. [Health Affairs Blog, [3/7/17](#)]
- **Increases costs and cuts benefits for Americans with pre-existing conditions by allowing states to segregate them into "high-risk pools".** Under the guise of a "Patient and State Stability Fund," this scheme jeopardizes access to care for the nearly 50 percent of Americans who have a pre-existing condition. High-risk pools do **not** ensure that Americans who have cancer, diabetes, or other pre-existing conditions will have guaranteed access to health care they can afford. Instead, for those put into high-risk pools, this could mean a return to the days of lifetime caps on covered services,

higher premiums, high deductibles, and billions of dollars of uncompensated care for states. [ASPE, [1/5/17](#); KFF, Accessed [3/1/17](#); Politico, [2/24](#)]

## **Promise 2: You Can Pick Your Health Plan**

*“Secondly, we should help Americans purchase their own coverage, through the use of tax credits and expanded Health Savings Accounts – but it must be the plan they want, not the plan forced on them by the Government.”* – President Trump, [Joint Address to Congress](#), February 28, 2017

But here’s what TrumpCare really does...

- **Spikes costs for Americans by repealing the requirement that all Americans have health insurance.** In his address, President Trump stated, “Mandating every American to buy government-approved health insurance was never the right solution for our country.” However, this requirement led to an all-time low in the number of uninsured. The Republicans’ repeal of this provision will lead to significantly higher premiums across the board in both the individual and the group markets. Estimates are that without this requirement, premiums will increase by as much as 20 percent [CBO, [12/8/16](#); KFF, Accessed [3/1/17](#); Politico, [2/24](#); The White House, [2/28/17](#)]
  - Many experts say that keeping popular provisions like ban on discriminating against those with pre-existing conditions and dependent coverage until the age of 26 without requiring everyone to have insurance **will dramatically drive up the cost of insurance and has the potential to de-stabilize and crash the individual market.** [CBO, [1/17/17](#)]
- **Replaces the ACA’s advanced premium tax credits with skimpier credits based on age and expands the use of HSAs, putting insurance out of reach for many families.** The House GOP plan touts the benefits of health savings accounts (HSAs), which are tax-preferred accounts that only benefit those who can afford to put money into them, disproportionately favoring those in higher tax brackets. Further, the GOP’s one-size-fits-all tax credits vary only by age, not income or actual premium costs. Using these skimpy tax credits and HSAs to replace current advanced premium tax credits and taking away cost-sharing subsidies would significantly reduce affordability and choice for middle and lower-income families. For Americans who are struggling to pay for insurance coverage, the Republican plan will not help. [CBPP, [2/2/17](#)]

## **Promise 3: No One on Medicaid Left Behind**

*“Thirdly, we should give our great State Governors the resources and flexibility they need with Medicaid to make sure no one is left out.”* – President Trump, [Joint Address to Congress](#), February 28, 2017

But here’s what TrumpCare really does...

- **Repeals the Medicaid expansion, putting millions at risk of losing coverage.** Repealing the Medicaid expansion means **11 million Americans** will be at risk of losing access to comprehensive coverage including primary care, mental health and substance use disorder services, needed prescription medications, and more. The House GOP’s plan would eliminate the Medicaid expansion as we know it in 2020 and jeopardize care for everyone who has gained access to care through the expansion. [KFF, [12/6/16](#); ASPE, [1/18/17](#); CBPP, [6/15/16](#); KFF, Accessed [3/1/17](#); Politico, [2/24](#)]

- **Rations health care for millions of the most vulnerable by slashing funding by hundreds of billions to state Medicaid programs under a per capita cap.** The proposed GOP House plan would put a cap on federal spending for all Medicaid beneficiaries, **cutting hundreds of billions from Medicaid** and shifting huge costs to states. **This would end Medicaid as we know it.** These cuts would be devastating to states and result in deep reductions to eligibility, benefits, and provider payments threatening coverage for the nearly **74 million Americans**, including seniors, people with disabilities, and low-income children and families, who rely on Medicaid for comprehensive, quality coverage. [CBPP, [2/9/17](#); CBPP, [3/3/17](#)]
- **Defunds Planned Parenthood.** The Republican plan threatens 2.5 million patients in all 50 states and DC, sixty percent of whom are women and families who are Medicaid beneficiaries, at risk of losing access to the providers they trust. Planned Parenthood serves a critical role in the nation's health care safety net – more than half of their clinics are in rural or underserved areas where patients have nowhere else to go for care. As a result, 4 in 10 Americans report that Planned Parenthood is their only source of health care. Prohibiting federal Medicaid payments to Planned Parenthood as proposed in the Republican plan would put millions of women at risk of losing access to the providers they trust, harm those most in need, and leave a gaping hole in American health care. [Families USA, [1/13/17](#); Guttmacher Institute, [3/14](#); Center for American Progress, [1/18/17](#)]

#### **Promise 4: Fix High Prescription Drug Prices**

*“Fourthly, we should implement legal reforms that protect patients and doctors from unnecessary costs that drive up the price of insurance – and work to bring down the artificially high price of drugs and bring them down immediately.”* – President Trump, [Joint Address to Congress](#), February 28, 2017

But here's what TrumpCare really does...

- **Gives a huge tax cut to big pharmaceutical companies.** President Trump proposed to “slash restraints” at the FDA and eliminate the approval process for drugs, which would only result in a flood of ineffective and dangerous products and have no any effect on out-of-pocket drug prices whatsoever. The GOP's proposal includes repeal of a tax on brand pharmaceutical manufacturers – indicating the Republicans' interest in pleasing pharmaceutical companies, not in helping save lives through better access to prescription drugs. [CNN, [3/1/17](#); Newsweek, [2/3/17](#); NYTimes, [1/23/17](#); *American Health Care Act Ways and Means Section-by-Section*, [3/6/17](#)]
- **Threatens to puts lifesaving drugs out of reach for Americans by eroding standards for required benefits.** The Republican proposal includes the “sunset” of the actuarial value requirements that mandate the percentage insurers must pay for the services they cover. The Republican plan lets insurers off the hook by eliminating that percentage, and instead leaves patients to foot the bill. Experts agree that one of the first benefits to be slashed would be broad prescription drug coverage – making certain drug treatments unaffordable for American families. [Kaiser Health News, [2/21/17](#); Health Affairs, [2/14/17](#); *American Health Care Act Energy & Commerce Legislation*, [3/6/17](#)]

#### **Promise 5: Lower Health Care Costs For Everyone**

*“Finally, the time has come to give Americans the freedom to purchase health insurance across State lines – creating a truly competitive national marketplace that will bring cost way down and provide far better care.”* – President Trump, [Joint Address to Congress](#), February 28, 2017

But here’s what TrumpCare really does...

- **Increases costs for everyone.** By eliminating minimum coverage for health plans and decreasing the value of tax credits, the average health care costs (premiums and out-of-pocket costs) will **increase by more than \$1,500 per year for an individual and more than \$6,000 for a family.** [Vox, [3/7/17](#)]
- **Increases costs for low-income Americans by repealing cost-sharing reduction payments,** which will make it harder and more expensive for working families to access the care they need. [Washington Post, [12/21/16](#); *American Health Care Act* Energy and Commerce Section-by-Section, [3/6/17](#)]
- **Increases costs for older Americans by increasing the age-rating band without a similar increase in tax credits.** The Republican plan would allow insurance companies to charge older Americans **five times** as much as younger folks. Yet, their one-size-fits-all tax credits would only be *twice* as much for older Americans nearing retirement. In other words, the House GOP bill would impose a “**seniors tax**” that would increase premiums on average by \$17,900 per year for a 64-year-old on the brink of retirement – while only offering a \$4,000 tax credit. [AARP, [2/2017](#); *American Health Care Act* Ways and Means Section-by-Section, [3/6/17](#)]
- **All while cutting taxes on the wealthy and giving a tax deduction for compensation over \$500,000 paid to health care CEOs.** As should be expected, TrumpCare cuts taxes on the wealthy by hundreds of billions of dollars. It repeals a “limit on the deduction of a covered health insurance provider for compensation attributable to services performed” – in essence, this “sweetener” part of the deal proves that the GOP is only interested in helping the affluent. [Politico, [3/6/17](#); NY Times, [3/6/17](#); *American Health Care Act* Ways and Means Section-by-Section, [3/6/17](#)]